

TOLLS, TARIFF, FACILITIES & PROCEDURES COMMITTEE	
<b>Resolution:</b> <i>T2018-05: TTFP Procedures Review</i>	<b>Issue:</b> <i>T2018-05: TTFP Procedures Review</i>
<b>Date of Resolution Vote:</b> <i>2023.11.21</i>	<b>Issue Adoption Date:</b> <i>2018.05.08</i>
<b>Issue Sponsor:</b> NOVA Gas Transmission Ltd. (“NGTL”)	

# Resolution

## TTFP Procedures Review

The Tolls, Tariff, Facilities and Procedures Committee (“TTFP”) agrees to implement an updated version of the TTFP Procedures (“Updated Procedures”) as attached.

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## Vote Results

Unanimous.

## Background

On May 8, 2018, the TTFP adopted Issue T2018-05 and a Task Force was struck. The purpose of the Task Force was to review and discuss the existing Procedures and make necessary changes to modernize procedural language, codify the current practice, align on how the TTFP should operate in the future, and explore the use of guiding principles to outline roles and expectations of all TTFP members.

The Task Force held its first meeting on November 22, 2022 and met a total of eight times, with the last Task Force meeting occurring on August 23, 2023.

The Task Force conducted an in-depth review of each section of the existing Procedures with the purpose of aligning on the spirit and intent of each section. Following each meeting, revised language for the sections covered in the meeting were circulated for Task Force feedback. In the final Task Force meeting, a consolidated draft of all sections was reviewed and outstanding concerns were discussed.

On August 25, 2023, NGTL published a next-to-final draft of the Updated Procedures incorporating all of the revisions made during the August 23, 2023 meeting, and outstanding material concerns from Members that were discussed. NGTL requested final feedback on the Updated Procedures by September 5, 2023.

## Next Steps

Pending a successful vote, the Updated Procedures will take effect as of December 1, 2023 and all open TTFP Task Forces will be subject to the Updated Procedures. Members will be asked to review and acknowledge the Updated Procedures by December 31, 2023 to maintain TTFP Membership without having to re-apply for membership. The Updated Procedures will be published on the Company website.

## **Tolls, Tariff, Facilities & Procedures Committee Procedures**

### **1.0 PURPOSE AND SCOPE**

**1.1 The Tolls, Tariff, Facilities and Procedures Committee (TTFP) will proactively address and attempt to resolve Topics and Issues related to the tolls, Tariff, facilities and operating procedures of TC Energy's Nova Gas Transmission Ltd. (NGTL System).** The TTFP will discuss and advance Topics and Issues related to or impacted by, but not limited to:

- i. NGTL cost of service, service offerings and tolls, including underlying assumptions;
- ii. Changes or additions to the NGTL Tariff or TTFP Procedures;
- iii. Facility planning or alternatives, design criteria and underlying assumptions, abandonment and decommissioning;
- iv. NGTL policies and environmental or public policy issues in the Western Canada Sedimentary Basin that affect the NGTL System.

1.2 The TTFP follows the Canada Energy Regulator's (CER) Guidelines for Negotiated Settlements of Traffic, Tolls and Tariffs (Guidelines). The TTFP also facilitates the effective, efficient, and timely exchange of information among Members.

1.3 The Members will work together towards achieving the resolution of Topics and Issues with the goal to reduce CER hearings. The intent of the TTFP is to not only reduce or avoid hearing time and costs but to also achieve better outcomes through collaboration. It is recognized that not all TTFP dialogue is directed towards achieving a negotiated resolution of Topics.

### **2.0 GUIDING PRINCIPLES**

2.1 The TTFP will foster collaborative dialogue to achieve shared understanding in order to realize the TTFP Purpose and Scope.

2.2 Representatives of Members are expected to:

- Be empowered by their respective organizations to discuss and provide input on matters before the TTFP. Unless otherwise stated by the Representative, all comments are attributable to the Member and not the Representative.
- Be prepared for TTFP meetings and participate in valuable dialogue by acting in good faith and in an open, respectful, and professional manner.

2.3 The TTFP process will be managed in a fair, efficient and consistent manner. The process will provide sufficient time for Members to thoughtfully consider information and further solicit views from others to drive valuable dialogue and effectively contribute to developing balanced and innovative actions and solutions.

2.4 The TTFP will ensure that all Members have the opportunity to fully express their views on any Topic or Issue.

2.5 Confidentiality is a cornerstone to maintaining trust among Members and as such all input is deemed to be confidential and shared "without prejudice". It is understood that some information sharing beyond the immediate membership group (particularly with associations) may be necessary to advance

Topics and Issues, develop solutions and achieve resolution. Additional details regarding confidentiality provisions of the TTFP are outlined in 6.0.

2.6 All Representatives are responsible for following these guiding principles and encouraging other Representatives to do the same.

### **3.0 ORGANIZATIONAL MATTERS**

3.1 NGTL will provide a Chairperson (TTFP Chairperson) for the TTFP and Task Forces. The TTFP Chairperson will clearly articulate when they are acting as a facilitator versus advocating NGTL's positions.

3.2 The TTFP Chairperson will schedule meetings, arrange meeting places, prepare and pre-circulate agendas and meeting materials, prepare and circulate meeting notes, maintain and distribute a membership list, provide orientation to new Members, provide facilitation within meetings, keep meetings on task and on time, serve as a single communication point for Members to identify agenda items prior to meetings and to forward any information for circulation to Members and provide coordination and integration between other committees and Task Forces under the collaborative process umbrella, including the Tolls Task Force (TTF) and the Foothills Industry Committee, who have signed comparable Procedures document, agreeing to fully recognize and abide by the confidentiality and without prejudice provisions of the TTFP.

3.3 For each item placed on the agenda of the TTFP, NGTL will identify which of the following levels of engagement it will undertake:

- **Inform** – to provide balanced and objective information to assist in understanding;
- **Consult** – to understand Member perspectives and respond to concerns through transparent and constructive dialogue that may influence outcomes; and
- **Collaborate** – to work in partnership to advance mutual goals, including the development of alternatives and the identification of the preferred solution.

3.4 NGTL is the steward and operator of the NGTL System and may have additional attendees (NGTL attendees) participate at the TTFP (both active and passive) as part of its responsibility to manage the NGTL System safely, reliably and ensure long-term competitiveness and sustainability. All attendees (both active and passive) will be identified in the meeting notes and must abide by these Procedures as well as TC Energy's Code of Business Ethics. Passive attendees are defined as those who attend via TCE Commercial Dial-In or subsequent method and are not expected to participate in live discussions. Potential passive attendees will be identified at the beginning of TTFP or Task Force meetings, with actual passive attendees confirmed via publication of the attendance list in the notes.

### **4.0 MEMBERSHIP**

4.1 TTFP membership is granted for the applicable calendar year and is open at any point during the year. On an annual basis, existing Members will be invited to submit a membership request or renewal form.

4.2 Membership will be managed by NGTL and will be granted by NGTL. Membership will generally be granted to organizations who hold a firm contract or have made a material revenue commitment to the NGTL System, including associations representing two or more Members. Participation by other parties,

who demonstrate they are directly affected by TTFP matters will also be considered on a case-by-case basis.

4.3 All attendees (both active and passive) will be identified in the meeting notes, and must abide by these Procedures.

4.4 Each Member organization ("Member") is allowed to have two Representatives and membership pertains to the organization, not an individual representing ("Representative") that organization. If requested by a Member, at NGTL's discretion on a case-by-case basis, not to be unreasonably withheld, NGTL may allow additional Representatives for purposes such as training, succession planning, or meetings that discuss Topics that may require additional subject matter experts, etc.

4.5 Members and Representatives agree to abide by these Procedures and participate in good faith. NGTL may request a Member to remove and replace any Representative who, after being advised of inappropriate conduct, continues to fail to abide by these Procedures or is not participating in the TTFP in good faith. Serious or repeated breaches of these Procedures by any Representative or Member may result in additional disciplinary action with appropriate consultation with the TTFP.

4.6 Participation on a Task Force created by the TTFP will be open to any affected party. All attendees (both active and passive) will be identified in the meeting notes, and must abide by these Procedures. NGTL attendees must also abide by TC Energy's Code of Business Ethics.

## **5.0 MEETING NOTES**

5.1 Meeting notes which will provide a thorough and accurate summary, including what Topics and/or Issues were discussed and any agreed to next steps, will be provided only to registered Members.

5.2 Meeting notes will not include the names of an individual or party with respect to a position being taken or comments made regarding a Topic and/or Issue. A party may, however, be identified in the meeting notes upon that party's request or prior approval. A visible notation will be shown on the notes indicating that they are for discussion purposes only and are provided on a confidential and without prejudice basis.

5.3 Following a TTFP Resolution vote, the meeting notes will include the Voting Outcome as well as Member names and number of Members that voted each of the Voting Types.

5.4 Meeting notes will be provided and adopted by Members for both TTFP and Task Forces and will not be provided to the CER or other committees under TC Energy's collaborative process umbrella.

## **6.0 CONFIDENTIALITY AND WITHOUT PREJUDICE**

6.1 To facilitate free and open communication in the discussion and settlement of Topics and Issues, participation by all Members in regard to the TTFP or its Task Forces will be conducted on a confidential and "without prejudice" basis. This means that, any documents and any communications, written or oral, that are created or made as part of the TTFP or Task Forces shall be considered to be confidential and can only be shared within the Member organization. They may not be filed, referred to or quoted from in any hearing or other proceeding before any regulatory tribunal or any court of law, unless one of the following applies:

6.1.1 A Member of the TTFP can publicly disclose information provided by another Member in the TTFP with the express consent of that party.

6.1.2 On a voluntary basis, a Member of the TTFP can publicly disclose statements or documents they created and shared in the TTFP.

6.1.3 Documents and communications (written or oral) that are created or made as a joint effort at the TTFP and thus were not provided by any one Member or group of Members may be disclosed publicly with a Unanimous Voting Outcome.

6.1.4 In response to a directive from the CER that has been accepted for consideration by the TTFP, Members can acknowledge within a regulatory proceeding (application, requests for comments, pre-hearing conference, response to Information Requests, supplementary evidence, or oral evidence adduced during direct cross examination) whether or not the Topic or Issue is being addressed by the TTFP and provide the description of the Topic or Issue. Members will not disclose information pertaining to alternatives being discussed, positions of other Members, expected outcomes or the expected timeline for an outcome.

6.1.5 Members can provide meeting notes and other TTFP-related materials to people within their organization, provided this step is only taken on an as-needed basis, and reasonable efforts are taken to maintain confidentiality.

6.1.6 These procedures are considered to be public information and may be filed for information purposes with the CER.

6.1.7 TTFP materials otherwise considered confidential may be disclosed as ordered by a regulator or court of law.

6.1.8 Certain summary information pertaining to the title and high level description of Topics and Issues being addressed may be provided, on a "without prejudice" basis, to non-members. Members are also encouraged to inform industry participants who may have an interest in a particular Issue of any plans to deal with that Issue in the TTFP or a Task Force, so they can be directly involved in the process if they choose.

6.1.9 Members may provide TTFP information, excluding meeting notes, to Members of other committees under TC Energy's collaborative process umbrella including the Tolls Task Force (TTF) and the Foothills Industry Committee (FHIC), who have signed a comparable Procedures document, agreeing to fully recognize and abide by the confidentiality and without prejudice provisions of the TTFP.

## **7.0 RAISING AND PROGRESSING TOPICS AND ISSUES**

### **7.1 Topics:**

7.1.1 A "Topic" is defined as any item of concern or interest raised by a Member that aligns with the Purpose and Scope of the TTFP (outlined in 1.0).

7.1.2 Topics may be discussed directly within TTFP meetings (i.e., included in the agenda) without formalized documentation or a formal vote to adopt. The TTFP Chairperson will recommend and through collaborative dialogue, the TTFP will determine the appropriate approach considering the discussion length as well as if additional information is required to complete the discussion.

## **7.2 Issues:**

7.2.1 An “Issue” is a Topic that has formalized documentation (“Issue Statement”) and goes through a TTFP adoption process (as outlined in 7.4).

7.2.2 Issues at the TTFP can be brought forward for adoption by any Member.

7.2.3 Members will consider the long-term impacts to the NGTL System and the natural gas industry as a whole when developing their views. For a Topic to require an Issue Statement at the TTFP, at least one of the following should be true:

- It is known at the time the Issue Statement is raised that the Topic will likely require multiple conversations due to a level of complexity or dialogue required.
- Target outcome involves a TTFP Resolution vote.

7.2.4 An Issue requires an Issue Sponsor(s). The Issue Sponsor(s) is the Member (or group of two or more Members) who raises and presents the Issue Statement.

7.2.5 Member(s) who wish to raise an Issue at the TTFP must ensure proper documentation is provided to the TTFP Chairperson with sufficient notice, using an Issue Statement template that will be available to all Members.

7.2.5.1 The Issue Sponsor(s) is responsible to provide relevant information for Members to evaluate and vote on adoption of the Issue, which shall include but not be limited to:

- A description of the Issue Sponsor’s concern or proposal
- Relevant background information

7.2.5.2 The TTFP Chairperson, in consultation with the Issue Sponsor(s), is responsible to:

- Outline the proposed TTFP/Task Force process to address the Issue
- Identify, if known, whether a Resolution vote is required
- Make a reasonable effort to provide information where required to assist in fully developing an Issue Statement

7.2.6 The TTFP Chairperson will recommend, and through collaborative dialogue the TTFP will determine, whether the Issue will be addressed directly in TTFP meetings or if a Task Force will be formed to progress the Issue. For a Task Force to be formed, at least one of the following should be true:

- The Issue will discuss complex Topics which will require additional collaborative working group time outside of regularly scheduled TTFP meetings
- Exploration of an Issue may require the participation of interested parties, who are known to have a direct interest in the Issue and who are not current Members

7.3 In the spirit of collaboratively working through Topics and Issues, Members are expected to identify and communicate corporate concerns, suggestions and/or positions as early as possible, including any intention to litigate. Failure or inability, for any reason, of a Member to raise concerns or intentions in a timely manner will not limit or prejudice any of their rights or remedies, including the right to litigate.

#### **7.4 Issue Adoption Voting:**

7.4.1 Members will vote on whether to adopt an Issue (“Issue Adoption Vote”). Members will be notified of the date for the Issue Adoption Vote and will be provided with materials related to the Issue, including the Issue Statement, one week prior to the Issue Adoption Vote.

7.4.2 The Issue will be adopted for further discussion only if accepted by a majority vote. There will be acceptance by majority vote when Members in attendance (virtual or in person) cast more votes “for” than “against” (>50%), without regard for the number of abstentions and Members that are not present.

#### **7.5 Issue Status and Closure:**

7.5.1 The Issue Sponsor(s) may withdraw their Issue at any time by notifying the TTFP Chairperson. The Issue may remain in place if a new Issue Sponsor is identified and the TTFP accepts (as per 7.4.2).

7.5.2 An Issue can be paused following a collaborative dialogue with the TTFP, if it is determined that, though still relevant to the TTFP, it is not a priority.

7.5.3 Once the Task Force discussions have been concluded, the Issue may be referred back to the TTFP for a Resolution vote if applicable. If a Resolution vote is not required, the Issue will be closed when the work has concluded and the TTFP Chairperson has informed the TTFP.

7.5.6 The TTFP Chairperson will update the TTFP on any status change to an Issue (i.e., on pause, withdrawn, closed, in progress).

### **8.0 RESOLUTION VOTING GUIDELINES**

8.1 Each Member of the TTFP will have one vote. Members have to be in attendance during the vote in order to vote unless their vote is submitted in advance electronically to the TTFP Chairperson (proxy vote).

8.2 Formal notice of an impending Resolution vote will be given to the TTFP at least 10 business days in advance of the date the vote will be taken. A document (“Resolution”), which details the Issue, the steps taken in the collaborative process and the proposed outcome/solution to be voted on will be provided as part of the formal notice.

8.3 A vote may be held on an amended Resolution during a current TTFP meeting in the event that the amendments to the circulated Resolution are minor in nature and the Members in attendance agree (by majority vote) that the vote should be taken.

8.4 In exceptional circumstances (for example, to meet a regulatory deadline), a vote on a Resolution may be held on less than ten days' notice with the majority agreement of the Members in attendance. Alternatively, an extraordinary meeting of the TTFP may be convened in order to vote on a Resolution on less than ten days' notice.

8.5 On an exceptional basis an electronic vote may be conducted without calling a TTFP meeting. At least 10 business days in advance, Members will be informed of the electronic vote and of the date and time that votes are due.

8.6 A Member's vote will not be construed as representing a binding irrevocable position. It will, however, be construed as representing the position of the Member at the time of the vote. The TTFP is not a decision making body in that no Member loses its recourse to the CER. No Member is bound by their vote, or a majority vote and the CER is the final decision maker.

8.7 A Member can cast one of four votes on a Resolution ("Voting Types"):

- i. **Support:** The Member is in favour of the Resolution.
- ii. **Oppose:** The Member does not support the Resolution but does not intend to file alternatives or oppose the Resolution before the regulator.
- iii. **Hard Oppose:** The Member does not support the Resolution and intends to present alternatives or actively oppose the matter before the regulator if the proposal in the Resolution is filed with the regulator.
- iv. **Abstain:** The Member neither supports nor opposes the proposed Resolution.

8.8 A Member who is not present will be deemed to have not cast a vote and will not be counted in any vote totals.

8.9 The result of a vote on any Resolution ("Voting Outcome") will be categorized as follows, without regard for votes of Abstain and Members that are not present:

- i. Resolution - **Unanimous:** all votes in support.
- ii. Resolution - **Majority Supported:** a majority (>50%) of votes Support, and no votes were Hard Oppose.
- iii. Non-Resolution - **Hard Opposed:** one or more votes were Hard Oppose.
- iv. Non-Resolution - **Opposed:** a majority (>50%) of votes were either Oppose or Hard Oppose.
- v. Non-Resolution - **Split Resolution:** 50% of the votes were Support.

8.10 The results of a Resolution vote, including company names and their vote, will be posted on the confidential TTFP SharePoint site on the business day following the vote.

## 9.0 TTFP REPORTING TO CER

9.1 With the exception of a CER directive that has been accepted for consideration by the TTFP, details of resolved Issues, including the Issue Statement and Resolution if the voting outcome is Unanimous or Majority Supported (without reference to number of votes or specific Member positions), may be submitted to the CER in support of an application or for information, as applicable.

9.2 With respect to a CER directive that has been accepted for consideration by the TTFP, a report of the Topic or Issue will be provided to the CER upon completion of the TTFP's deliberations (whatever the outcome).



9.3 In any filings to the CER regarding TTFP Topics or Issues, NGTL will clearly identify the level of engagement (as outlined in 3.3) used for such Topics or Issues.

## **10.0 PROCEDURES**

10.1 It is understood that the TTFP will review these Procedures on an as required basis.

10.2 Adoption of and amendments to these Procedures requires an Issue Statement to be raised by a Member and adopted by the TTFP as outlined in 7.4.

10.3 Members in attendance (virtual or in person) will vote on amendments to these Procedures by casting a vote of “for,” “against,” or “abstain.” A quorum of at least 30 Members is required to conduct the vote and a super majority vote (meaning 75% or more “for”) will be required to affect a change to these Procedures, without regard for the number of abstentions and Members that are not present. A minimum of 10 business days’ notice of an impending vote is required to affect a change to these procedures.

## **11.0 ACKNOWLEDGEMENT**

I acknowledge that I have reviewed the TTFP Procedures, and agree to abide by them and participate in good faith:

Representative Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_